

AR44

THE TORONTO STOCK EXCHANGE

TORONTO

BULLETIN NO. 10553

JANUARY 17, 1977.

NEW LISTINGWARDAIR INTERNATIONAL LTD.

Application has been granted for the listing in the Industrial category of 4,186,670 common shares without par value of which 899,100 shares are subject to issuance. The shares will be posted for trading at the opening on January 19th.

STOCK SYMBOL: WDR POST SECTION: 3.3

Listing Statement No. 2714 has been prepared and accompanies this Bulletin. The following is some of the information that is in this Statement:-

Incorporated - The Company was incorporated as a private company by a Memorandum of Association under the provisions of the Companies Act for the Province of Alberta, on the 22nd day of July, 1953. The Company was converted to a public company on the 28th day of August, 1967.

Head Office - The head office is located at the 26th Floor, C.N. Tower, Edmonton, Alberta. The Company has no other offices.

Nature of Business - The Company is now a holding company whose only assets, other than monies in bank and notes receivable, are the issued and outstanding shares of capital stock of:

1. Wardair Canada (1975) Ltd.
2. International Vacations Ltd.
3. Wardair (U.K.) Limited
4. Wardair Jamaica Limited

The Company together with its operating subsidiaries, employs on an average, 1,550 employees.

Officers & Directors - Refer to Items 21 and 22 in the Listing Statement.

Transfer Agent & Registrar - The Montreal Trust Company at its principal offices in Edmonton, Toronto and Vancouver.

CAPITALIZATION

<u>SHARE CAPITAL</u>	<u>AUTHORIZED</u>	ISSUED AND OUTSTANDING AS AT JUNE 30, 1976	<u>TO BE LISTED</u>
12% cumulative non-voting convertible preferred shares redeemable at \$11.00, with a par value of \$10.00 per share	300,000	270,000	Nil
Common shares of no par value, of which 899,100 are subject to issuance.	5,000,000	3,287,570	4,186,670
<u>FUNDED DEBT (1)</u> (on a consolidated basis)		ISSUED AND OUTSTANDING AS AT DECEMBER 31, 1976	
Less current portion		\$50,615,925	
Non-current portion		<u>6,110,002</u>	
		<u>\$44,505,923</u>	

(1) Reference is made to Item 10 in the Listing Statement, and to Pages 14 and 15 of the attached Annual Report, for additional details relating to the funded debt of the Company.

Cont'd.....

WARDAIR INTERNATIONAL LTD.

Earnings - Years ended December 31st,

	<u>Net Earnings</u>
1971	\$ 563,191
1972	271,996
1973	913,781
1974	1,669,739
1975	4,277,615

Seven months ended July 31st,

1976	3,271,549 (unaudited)
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Dividends - The Company paid a dividend of 1½¢ per share on December 31, 1964.

On December 31, 1975 a dividend of 96¼¢ per share was paid on the 12% Preferred Shares.

On January 31, 1976 a further dividend of 30¢ per share was paid on the 12% Preferred Shares.

On May 31, 1976 a dividend of 6¢ per share was declared payable on July 15, 1976 on the outstanding common shares.

BY ORDER OF THE BOARD OF GOVERNORS

AILSA M. CURRIE,
Secretary.



Wardair International Ltd.

AND
SUBSIDIARY COMPANIES

**REPORT TO
SHAREHOLDERS AND EMPLOYEES
FOR THE SIX MONTHS ENDED
JUNE 30, 1978**

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HOLIDAYS BY WARDAIR

TO OUR SHAREHOLDERS AND EMPLOYEES

The Company experienced a consolidated net loss of \$2,475,802 in the first six months of 1978, compared to a profit of \$2,092,318 for the same period in 1977. After providing for dividends on preferred shares, the loss per common share was 80 cents compared with a profit of 59 cents per common share in the first half of 1977.

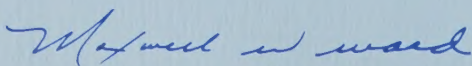
While revenues were \$66,078,580 for the period compared to \$54,564,454 for the same period in 1977, they were below the Company's forecast.

Operating costs were \$65,959,421 for the first six months of 1978 compared to \$50,407,813 for the same period in 1977.

This disappointing and unfavourable performance is the direct result of the Air Transport Committee of the Canadian Transport Commission and the Ministry of Transport permitting the scheduled airlines (Canadian and Foreign) to offer charter level fares in a virtually non-regulated environment. On the other hand, Wardair is forced to operate under stringent regulatory restrictions that prevent us from competing in the market with scheduled charter type operations.

For example, this summer on the North Atlantic, Wardair is flying in excess of 40,000 empty seats that could have been sold in the U.K. and Germany to bring tourists to Canada if the Company were permitted the same flexibility enjoyed by U.S., U.K. and European charter carriers under their present charter regulations.

Your Company continues to press for changes to the Air Carrier Regulations that will enable us to compete on a fair and equal basis with scheduled airlines part charter programs.



Maxwell W. Ward
Chairman and President

August 4, 1978

**WARDAIR INTERNATIONAL LTD.
AND SUBSIDIARY COMPANIES**

CONSOLIDATED STATEMENT OF EARNINGS

FOR THE SIX MONTHS ENDED JUNE 30, 1978

(Expressed in Thousands, Unaudited)

	1978	1977 (Restated)
REVENUES	\$66,079	\$54,564
EXPENSES		
Operating	53,292	40,302
Marketing and administration	9,630	7,291
Depreciation	2,836	2,603
Amortization of deferred charges	202	211
	<u>65,960</u>	<u>50,407</u>
Earnings from operations	119	4,157
Interest on long term debt	2,595	2,065
NET EARNINGS (LOSS)	<u>\$(2,476)</u>	<u>\$ 2,092</u>
EARNINGS (LOSS) PER COMMON SHARE		
Calculated after providing for annual dividends on preferred shares	<u>\$(.80)</u>	<u>\$.59</u>

**CONSOLIDATED STATEMENT OF CHANGES
IN FINANCIAL POSITION**

FOR THE SIX MONTHS ENDED JUNE 30, 1978

(Expressed in Thousands, Unaudited)

	1978	1977
SOURCE OF FUNDS		
Net Earnings (Loss)	\$(2,476)	\$ 2,092
Add changes not requiring cash expenditures		
Depreciation	2,836	2,603
Amortization of deferred charges	202	211
	562	4,906
Proceeds from long term debt	215,247	—
Issue of preferred shares by subsidiary	10,000	—
Sale of fixed assets	516	88
Deferred charges recovered	—	4
	<u>226,325</u>	<u>4,998</u>
APPLICATION OF FUNDS		
Reduction of long term debt	4,540	3,072
Deferred charges incurred	2,195	14
Additions to fixed assets	68,276	858
Redemption of preferred shares	300	300
Dividends	197	—
	<u>75,508</u>	<u>4,244</u>
INCREASE IN WORKING CAPITAL	150,817	754
DEFICIENCY IN WORKING CAPITAL AT BEGINNING OF PERIOD	8,637	5,632
WORKING CAPITAL (DEFICIENCY) AT END OF PERIOD	<u>\$142,180 *</u>	<u>\$(4,878)</u>

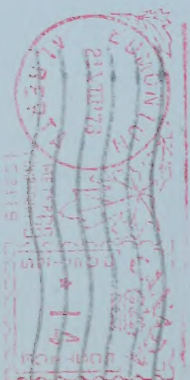
* The working capital includes approximately \$138,000,000 held under various deeds of trust and committed to the future purchase of aircraft and other capital items.

Wardair International Ltd.

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Wardair International Ltd.

AND
SUBSIDIARY COMPANIES

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**REPORT TO
SHAREHOLDERS AND EMPLOYEES
FOR THE SIX MONTHS ENDED
JUNE 30, 1979**



HOLIDAYS BY WARDAIR

TO OUR SHAREHOLDERS AND EMPLOYEES

The Company experienced a consolidated net loss of \$5,355,000 in the first six months of 1979 compared to a loss of \$2,476,000 for the same period in 1978. After providing for dividends on preferred shares, the loss per common share was \$1.78 compared to a loss of 80 cents per share in the same period last year.

Revenues for the first six months were \$97,236,000, an increase of 47% over the comparable period in 1978. This increase in revenues was primarily attributable to the higher passenger traffic generated with the Company's expanded fleet. Operating costs for the same period were \$92,495,000, an increase of 40% over the same period of 1978 and resulted in operating profits of \$4,741,000.

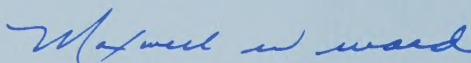
While revenues showed a substantial gain in the first half of 1979 over the same period in 1978, yields were still insufficient to meet increases in wages and material costs and rapid and unforeseen increases in fuel prices coupled with debt service costs.

Our two DC-10's were grounded for 25 days in June, which accounted for a sizeable loss of revenue.

Fuel surcharges were applied to all destinations but a lag in applicability also aggravated the cost situation.

Our load factors are high and fleet utilization is in excess of 12 hours a day per aircraft. In other words, productivity and efficiency are excellent but present fare levels are simply not high enough to achieve a reasonable return and profitability.

For the balance of 1979, we expect to achieve a profit in the third quarter and a loss in the fourth quarter. Overall, we will experience a loss in 1979.



Maxwell W. Ward,
Chairman and President.

August 10, 1979

5355
343.9

8794

247
29.6

54

**WARDAIR INTERNATIONAL LTD.
AND SUBSIDIARY COMPANIES**

CONSOLIDATED STATEMENT OF EARNINGS

FOR THE SIX MONTHS ENDED JUNE 30, 1979

(Expressed in Thousands, Unaudited)

	1979	1978
REVENUES	<u>\$97,236</u>	<u>\$66,079</u>
EXPENSES		
Operating	71,585	52,486
Marketing and administration	12,633	10,436
Depreciation	8,075	2,836
Amortization of deferred charges	202	202
	<u>92,495</u>	<u>65,960</u>
Earnings from operations	4,741	119
Interest on long term debt	<u>10,096</u>	<u>2,595</u>
Net (Loss)	<u>\$ (5,355)</u>	<u>\$ (2,476)</u>
(LOSS) PER COMMON SHARE		
Calculated after providing for annual dividends on preferred shares	<u>\$ (1.78)</u>	<u>\$ (0.80)</u>

**CONSOLIDATED STATEMENT OF CHANGES
IN FINANCIAL POSITION**

FOR THE SIX MONTHS ENDED JUNE 30, 1979

(Expressed in Thousands, Unaudited)

	1979	1978
		(Restated)
SOURCE OF FUNDS		
Net (Loss)	\$ (5,355)	\$ (2,476)
Add charges not requiring cash expenditure		
Depreciation	8,075	2,836
Amortization of deferred charges	202	202
	<u>2,922</u>	<u>562</u>
Proceeds from long term debt	31,422	81,618
Issue of preferred shares of subsidiary company	3,964	4,668
Sale of fixed assets	166	516
	<u>38,474</u>	<u>87,364</u>
APPLICATION OF FUNDS		
Additions to fixed assets	35,733	93,229
Reduction of long term debt	14,113	4,540
Deferred charges incurred, net of recoveries ..	995	2,195
Dividends	382	197
Redemption of preferred shares	300	300
	<u>51,523</u>	<u>100,461</u>
DECREASE IN WORKING CAPITAL	13,049	13,097
DEFICIENCY IN WORKING CAPITAL AT BEGINNING OF PERIOD	<u>11,559</u>	<u>8,637</u>
WORKING CAPITAL DEFICIENCY AT END OF PERIOD	<u>\$24,608</u>	<u>\$21,734</u>

Wardair International Ltd.

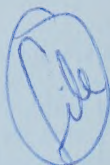
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REPORT TO
SHAREHOLDERS AND EMPLOYEES
FOR THE SIX MONTHS ENDED
JUNE 30, 1980



HOLIDAYS BY WARDAIR

TO OUR SHAREHOLDERS AND EMPLOYEES

Consolidated net earnings of the Company for the six months ended June 30, 1980 were \$7,112,000 in contrast to a loss of \$5,355,000 for the same period in 1979. The earnings include a non-recurring gain of \$2,115,000 on sale of assets. After providing for dividends on preferred shares, earnings per common share were \$2.13 compared to a loss of \$1.78 per common share in the same period last year.

Operating revenue of \$130,106,000 for the first six months of 1980 was up 34% over the same period in 1979 while operating expenses of \$112,792,000 increased 22% for the same period. The revenue increase is attributable to the addition of the fourth Boeing 747 which was in our fleet for only two months in the comparable period of 1979, and improved yields from increased fare levels.

August 8, 1980

Maxwell W. Ward,
Chairman and President.

**WARDAIR INTERNATIONAL LTD.
AND SUBSIDIARY COMPANIES**

CONSOLIDATED STATEMENT OF EARNINGS

FOR THE SIX MONTHS ENDED JUNE 30, 1980

(Expressed in Thousands, Unaudited)

	1980	1979 (Restated)
REVENUES	\$130,106	\$97,001
EXPENSES		
Operating	89,404	71,585
Marketing and administration	14,317	12,633
Depreciation	8,789	8,075
Amortization of deferred charges	282	202
	<u>112,792</u>	<u>92,495</u>
Earnings from operations	17,314	4,506
Interest on long term debt	12,317	10,096
Net earnings (loss) from operations	4,997	(5,590)
Gain on sale of fixed assets	2,115	235
NET EARNINGS (LOSS)	<u>\$ 7,112</u>	<u>\$ (5,355)</u>
EARNINGS (LOSS) PER COMMON SHARE (in dollars)		
Calculated after providing for annual dividends on preferred shares	<u>\$ 2.13</u>	<u>\$ (1.78)</u>

**CONSOLIDATED STATEMENT OF CHANGES
IN FINANCIAL POSITION**

FOR THE SIX MONTHS ENDED JUNE 30, 1980

(Expressed in Thousands, Unaudited)

	1980	1979 (Restated)
WORKING CAPITAL DERIVED FROM		
Operations	\$14,068	\$ 2,687
Proceeds from sale of fixed assets	7,294	401
Proceeds from long term debt	1,762	31,422
Issue of preference shares of subsidiary company	—	3,964
	<u>23,124</u>	<u>38,474</u>
WORKING CAPITAL APPLIED TO		
Additions to fixed assets	3,492	35,733
Reduction of long term debt	14,175	14,113
Deferred charges incurred, net of recoveries ..	21	995
Redemption of preferred shares	300	300
Dividends	4	382
Repurchase of preference shares of subsidiary company	4,670	—
	<u>22,662</u>	<u>51,523</u>
INCREASE (DECREASE) IN WORKING CAPITAL DEFICIENCY	(462)	13,049
WORKING CAPITAL DEFICIENCY AT BEGINNING OF PERIOD	<u>28,294</u>	<u>11,559</u>
WORKING CAPITAL DEFICIENCY AT END OF PERIOD	<u>\$27,832</u>	<u>\$24,608</u>

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